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DCI TESTIMONY
SENATE SELECT COMMITTEE ON INTELLIGENCE
23 JULY 1986
CIA PERSONNEL MANAGEMENT

IT IS A PLEASURE FOR US TO BE HERE TODAY TO TALK ABOUT ASPECTS OF PERSONNEL MANAGEMENT IN THE INTELLIGENCE COMMUNITY. [ ] EXECUTIVE DIRECTOR OF DIA, [ ] DEPUTY DIRECTOR FOR ADMINISTRATION FOR NSA, AND SECRETARY MORTON ABRAMOWITZ FOR INR WILL ADDRESS PERSONNEL NEEDS AND INITIATIVES IN THEIR ORGANIZATIONS. I WILL COMMENT GENERALLY ON THE COMMUNITY AND ADDRESS DEVELOPMENTS IN CIA MORE SPECIFICALLY. IN AN AGE OF HIGH TECHNOLOGY, IT IS EASY TO LOSE TRACK OF THE FACT THAT INTELLIGENCE IS A MANPOWER INTENSIVE BUSINESS.

STAT

WHEN I CAME TO THIS JOB I FOUND AN ENTHUSIASTIC, DEDICATED AND, ABOVE ALL, HIGHLY TALENTED WORKFORCE. THEY WERE STRETCHED DANGEROUSLY THIN FROM THE CUTS OF THE LATE 1970s, BUT THE SENSE OF DAILY CHALLENGE AND FULFILLMENT THEY GOT FROM THEIR WORK WAS AN INSPIRATION. WITH YOUR SUPPORT, THEIR RANKS HAVE BEEN REBUILT AND THEY HAVE OBTAINED THE RESOURCES THEY NEEDED AND DESERVED.

OUR PERSONNEL SYSTEM HAS SERVED US WELL AND HAS MANY STRENGTHS. IT ACCOMPLISHES OUR MOST FUNDAMENTAL GOAL, DEVELOPING PEOPLE WHO ARE EXPERTS IN THEIR FIELDS AND DEEPLY COMMITTED TO OUR MISSION. BY AND LARGE OUR EMPLOYEES SAY

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OUR PERSONNEL SYSTEM IS FAIR. EACH INDIVIDUAL CAN MAKE A DIFFERENCE AND GOOD PERFORMANCE IS REWARDED. TODAY, WE ARE FOCUSING ON MAKING OUR MIX OF TALENT AND EXPERIENCE MESH BETTER WITH THE LANGUAGES AND THE CULTURES AND THE NATURE OF THE PROBLEMS AND THREATS WE MUST DEAL WITH.

THE WORLD IS CHANGING. WE NEED TO CHANGE WITH IT. WE MUST SEE THAT OUR INTELLIGENCE COMMUNITY DOES NOT SUFFER THE MIDDLE AGE MALAISE THAT MANY ORGANIZATIONS EXPERIENCE. WE MUST ANTICIPATE KEY FORCES WHICH WILL SHAPE OUR PERSONNEL NEEDS FOR THE FUTURE.

-- WE NEED A LARGER PERCENTAGE OF EXPERTS IN OUR WORK FORCE, EXPERTS WHO HAVE HIGHLY MARKETABLE SKILLS ON THE OUTSIDE.

-- WE FACE INTENSE COMPETITION FROM THE PRIVATE SECTOR, AND PARTICULARLY FROM BELTWAY CORPORATIONS WITH WHOM WE DO BUSINESS AND WHO INCREASINGLY CAN ATTRACT OUR PEOPLE.

-- THE RATE OF CHANGE IN SOME SKILL AREAS IS SO HIGH THAT CONSTANT, CONTINUING RE-EDUCATION IS IMPERATIVE.

-- WE SEE INCREASING NUMBERS OF VERY TALENTED BUT INEXPERIENCED AND SOMETIMES IMMATURE YOUNG PEOPLE. THE LACK OF MILITARY EXPERIENCE IN OUR RECRUITS, FOR EXAMPLE, SHOWS.

-- TANDEM COUPLES AND SINGLE-PARENT FAMILIES ARE A FACT OF LIFE. WE MUST ADJUST TO THEM OR WATCH OUR RECRUITMENT PROBLEM GROW.

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TODAY WE FIND MORE AREAS DENIED TO US. WE HAVE TO COPE WITH RELATIVELY NEW AND RAPIDLY INTENSIFYING THREATS OF TERRORISM, NARCOTICS SMUGGLING, ARMS TRAFFICKING, INSURGENCIES AND COUNTER-INSURGENCIES. THIS IS HEAVILY CONCENTRATED IN LATIN AMERICA, THE MIDDLE EAST, THE INDIAN SUBCONTINENT, SOUTHERN AFRICA, AND THE GREAT PACIFIC ARENA. HERE WE ARE REQUIRED TO WORK WITH LANGUAGES AND CULTURES WHICH UNTIL RECENTLY OCCUPIED ONLY A RELATIVELY SMALL PORTION OF OUR PEOPLE. WE MAY WELL BE DENIED ACCESS TO STILL OTHER AREAS.

THE TERRORISTS AND SOME OF THESE OTHER THREATS HAVE BURGEONED SO RAPIDLY THAT WE CAN'T AFFORD FOUR TO FIVE YEARS TO DEVELOP YOUNG OFFICERS TO HELP US COPE WITH THEM. TO MEET THIS NEW CHALLENGE, WE ARE REACHING OUT TO RECRUIT, TRAIN AND USE MORE PEOPLE WHO BRING WITH THEM THE LINGUISTIC AND CULTURAL APTITUDES RELEVANT TO THESE NEW THREATS. WE ARE REACHING OUT FOR PEOPLE WHO HAVE THE BACKGROUND AND EXPERIENCE TO SUCCESSFULLY LIVE, VISIT OR TRAVEL IN AREAS IN WHICH WE HAVE NOT HAD TO BE SO ACTIVE IN EARLIER YEARS. FOR A BROADER BLEND OF PEOPLE, WE ARE REACHING OUT FOR PEOPLE TEN TO FIFTEEN YEARS OLDER THAN THOSE WE HAVE TRADITIONALLY SOUGHT TO BRING ON DUTY. THIS SHIFTING OF GEARS IS URGENT AND CRITICAL. IT CALLS FOR NEW DEPARTURES AND BOLD INNOVATIONS IN OUR RECRUITING, TRAINING, COMPENSATION, AND GENERAL PERSONNEL MANAGEMENT.

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HISTORICALLY, EVEN WITH THE SPECIAL AUTHORITIES GRANTED THE DIRECTOR OF CENTRAL INTELLIGENCE BY LAW, WE HAVE GENERALLY WORKED WITHIN THE BROAD FRAMEWORK OF THE OVERALL FEDERAL PERSONNEL STRUCTURE. THE PRESIDENT HAS FOUND THE GOVERNMENT'S PRESENT COMPENSATION SYSTEM INFLEXIBLE AND OUT OF DATE. AS YOU KNOW, THE OFFICE OF PERSONNEL MANAGEMENT JUST FORWARDED TO THE CONGRESS MAJOR PROPOSALS FOR SIMPLIFYING THE FEDERAL PERSONNEL SYSTEM. WE TOO BELIEVE IT IS TIME FOR CHANGE. WE ARE EXPERIENCING SEVERAL PROBLEMS:

-- TODAY'S SYSTEM DOESN'T FACILITATE LATERAL ENTRY.

-- WE CANNOT ADJUST BENEFITS TO SUIT EMPLOYEE AGE OR CIRCUMSTANCES.

-- OUR ABILITY TO REWARD PERFORMANCE IS NOT NEARLY SO WELL STRUCTURED AND DEVELOPED AS OUR ABILITY TO REWARD LONGEVITY.

-- THE PROCESS RELATING SALARY AND BENEFIT STRUCTURE TO MARKET FORCES (PARTICULARLY IN HIGH-DEMAND, SPECIALIZED SKILL AREAS) IS PONDEROUS.

WE HAVE ALREADY BEGUN THE PROCESS OF ADJUSTING OUR COMPENSATION SYSTEM TO MEET THE CHALLENGES WE FACE. WE ARE ALREADY INTRODUCING INNOVATIONS INCLUDING:

-- SPECIAL AGENCY-SPECIFIC PAY SCHEDULES FOR SCIENTISTS, ADP PROFESSIONALS, ENGINEERS, AND MEDICAL OFFICERS;

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-- A PAY BANDING EXPERIMENT IN OUR OFFICE OF COMMUNICATIONS;

-- A NEW SECRETARIAL CAREER AND PAY SYSTEM WITH FOUR BROAD PAY LEVELS, MODIFIED PAY FOR PERFORMANCE, JOB ENRICHMENT AND SIGNIFICANTLY INCREASED TRAINING;

-- NON-SUPERVISORY SPECIALIST TRACKS FOR A LIMITED NUMBER OF PROFESSIONS AND POSITIONS;

-- OVERSEAS PAY THAT IS 9.6% HIGHER THAN DOMESTIC; AND

-- AN EMPLOYEE SPOUSE PROGRAM FACILITATING JOINT ASSIGNMENTS AS WELL AS GUARANTEEING REEMPLOYMENT AT CURRENT GRADE ON RETURN TO DUTY WHEN JOINT ASSIGNMENTS CANNOT BE ARRANGED.

NOW LET ME TELL YOU SOME OF THE OTHER STEPS I BELIEVE WE NEED TO TAKE:

-- WE NEED TO ADJUST OUR PAY SYSTEM TO ACCOUNT FOR THE PROBLEMS I ENUMERATED EARLIER, PARTICULARLY TO BETTER RELATE PERFORMANCE AND COMPENSATION. WE NEED TO EXPAND OUR EXPERIENCE WITH PAY BANDING IN THE OFFICE OF COMMUNICATIONS AND OUR NEW SECRETARIAL CAREER SYSTEM TO MOST, PERHAPS ALL, OF OUR WORK FORCE. (WE HAVE NOT HAD A CHANCE TO STUDY THE NEW OPM PROPOSAL IN DETAIL, BUT WE BELIEVE MANY OF THEIR IDEAS TO BE PARALLEL TO OURS.)

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-- WE NEED TO MAKE EXTENSIVE CHANGES IN OUR PERSONNEL STRUCTURE TO ALLOW US TO MORE ADEQUATELY REWARD EXPERTS AS OPPOSED TO MANAGERS. WE NEED TO PROVIDE A WAY FOR TECHNICAL AND SUBSTANTIVE EXPERTS WHO DO NOT GO INTO MANAGEMENT TO CONTINUE TO BE RECOGNIZED AND REWARDED SO THAT THEY STAY WITH CIA AND HELP US WITH THE INCREASINGLY COMPLEX COLLECTION AND ANALYTICAL PROBLEMS WE FACE.

-- WE NEED TO RETHINK THE CURRENT SET OF INCENTIVES, ALLOWANCES, AND OTHER BENEFITS SO THAT WE CAN OFFER A BROAD, FLEXIBLE COMPENSATION PACKAGE THAT RECOGNIZES THAT THE NEEDS OF OUR EMPLOYEES VARY AT DIFFERENT STAGES OF THEIR LIVES AND CAREERS.

-- WE NEED TO REFOCUS OUR TRAINING PROGRAMS AND DEVOTE MORE OF OUR RESOURCES TO THEM, BOTH TO BRING NEW EMPLOYEES UP TO SKILL AND MATURITY LEVELS THEY DO NOT HAVE WHEN THEY JOIN US AND TO HELP MANY OF OUR EXPERIENCED PEOPLE REFRESH THEIR SKILLS AND UPDATE THEIR KNOWLEDGE IN THEIR FIELDS.

-- WE NEED TO TAKE FURTHER STEPS TO ENHANCE MANAGEMENT AND LEADERSHIPS SKILLS OF THE PEOPLE ENTRUSTED WITH THESE RESPONSIBILITIES. WE LONG AGO REALIZED THAT IN MANY CASES WE CANNOT PAY EMPLOYEES WHAT THEY MIGHT EARN IN THE PRIVATE SECTOR. OUR ABILITY TO ATTRACT AND RETAIN PEOPLE RESTS STRONGLY ON OUR ABILITY TO LEAD AND MANAGE THEM IN WAYS WHICH CONSTANTLY REINFORCE THE EXCITEMENT AND CHALLENGE OF OUR PROFESSION.

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THE CULTURE IN OUR INTELLIGENCE COMMUNITY HAS FOSTERED OVER THE YEARS A LEVEL OF DEDICATION AND ENTHUSIASM WHICH I HAVE NOT SEEN IN ANY OTHER ORGANIZATION. WE MUST SEE THAT THIS SPIRIT IS SUSTAINED AND STRENGTHENED AS WE FACE THE UNPRECEDENTED CHALLENGES I SET FORTH FOR YOU IN MY NATIONAL INTELLIGENCE STRATEGY. OUR IMPORTANT AND EXCITING MISSION ATTRACTS PEOPLE TO US. WE HAVE TO PROVIDE THE FRAMEWORK FOR ACCOMPLISHMENT AND FULFILLMENT, AND RECOGNITION THAT KEEPS THEM HERE. WE LOOK FORWARD TO WORKING WITH YOU TO IMPROVE THE MANAGEMENT OF OUR MOST IMPORTANT RESOURCE SO THAT WE CAN CONTINUE TO PROVIDE OUR COUNTRY WITH THE BEST INTELLIGENCE PROFESSIONALS IN THE WORLD.

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